

January 1, 2018

## LDG Commission Plan

### DESCRIPTION:

Any *new business* brought in by any full time LDG employee will result in a commission paid to the employee for the *initial new business project*, as well as additional related projects for up six months as defined below.

### DEFINITION:

*New business* is defined as any new client or project originated by an employee to LDG which otherwise would not have been brought to LDG. This is a client or show the employee specifically solicited for business, *not* a client or show that calls LDG asking for the employee.

Because this industry is changing at such a rapid pace with mergers and divestitures, sometimes the lines regarding who the actual client is are slightly 'blurred'. Consequently *new business* can sometimes be defined as a *new project or entity*, under the umbrella of an existing client, but which the employee has actively solicited for LDG, beating out our competitors to secure the job.

The determination of whether a project is *new business* will be made jointly by the Executive Vice President of Design or the Executive Vice President of Systems and the Chief Operating Officer.

### COMPENSATION:

Any employee who brings in *new business*, as defined above shall be compensated as follows:

#### Initial project

The employee shall receive *25% of the net income* for the project billing. Net income is defined as the revenue for the project (*e.g.*, design fees, rental income, manpower) less job-related expenses less the company's overhead (which is 20% as of this date).

#### Additional project(s)

The employee shall receive *12.5% of the net income for any recurring or related projects directly resulting from the initial project* for up to 6 months following the first date of the extended project(s). At the end of the six-month period, the client/project/show will be considered a company client/project/show and no further commissions will be paid.

### ADMINISTRATION:

- Any project which the employee feels is commissionable *must be indicated as such by the employee when presenting the project for intake*. At that time commission eligibility (by the EVP-Design or EVP-Systems and the COO) will be made.
- If the commissioned employee wishes to share a commission, he or she will indicate this prior to but not later than project closeout.
- Commissions will be paid upon receipt of final payment from the client.